

APPENDIX I

GLOSSARY/TERMINOLOGY

TERMINOLOGY - Terms and phrases used in this manual are defined as they directly relate to the funding of, and accounting/reporting by, the operating forces. A thorough understanding of the terminology used is essential in order to properly perform accounting/reporting functions.

ACTIVITY GROUP. - A categorization of the Operations and Maintenance appropriations assigned by the Major Claimant to represent the type of activity funded (e.g., ship, air operation).

AIRCRAFT OPERATIONS MAINTENANCE (AOM). - AOM funds OFC-50 costs. This category of funding pays for aviation depot level repairables (AVDLR) and aviation fleet maintenance (AFM) consumable spare parts. Used for repair of repairables by Aviation Intermediate Maintenance Department (AIMD) and for squadron level maintenance.

ADMINISTRATIVE CANCELLATION. - The term applies to two transactions: 1) the financial cancellation of an unfilled order in STARS-FL without reference to action by the supply system. This is no longer an authorized practice at the OPTAR holder level; and 2) the processing of credit unfilled orders. Refer To Credit Unfilled Order definition.

APPROPRIATION. - An authorization established by an Act of the Congress of the United States to spend funds of the U.S. Treasury or incur indebtedness for specified purposes. For example, the appropriation 17_1804 (Operations and Maintenance, Navy) funds among others things the costs of ship and aircraft operations. An appropriation is only available for the period of time and subject to the rules contained in the appropriation act.

APPROPRIATION SUBHEAD. - A major subdivision of a budget activity of an appropriation. The subheads of the appropriations used by the operating forces are structured to identify the major claimant (e.g. fleet commander), the Activity Group (e.g. Air Operations, Ship Operations, etc.) and a serial number assigned by the major claimant.

AUTHORIZATION ACCOUNTING ACTIVITY. - The activity designated to perform operating budget accounting support for the Commanders in Chief, U.S. Atlantic and Pacific Fleets, and respective type commanders, including associated accounting and reporting for ships, staffs, designated shore activities, aviation squadrons, naval mobile construction battalions, and miscellaneous units and commands, as assigned

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AUTOMATED INFORMATION SYSTEM (AIS). - Automated information systems (AIS), which serve as the "feeder" systems, to provide obligation information to the official STARS-FL accounting system ashore. For operating forces, these are normally dual-purpose supply and financial management systems.

AVIATION FLEET MAINTENANCE (AFM). - A subcategory of funding under OFC-50, used to buy consumables for the repair of aircraft and AVDLRs.

BUDGET ACTIVITY. - A major division of an appropriation structure, under which costs are collected.

BUDGET OPTAR REPORT. - A monthly report from each OPTAR holder. The Budget OPTAR Report (BOR) lists the OPTAR holder's obligations, differences and gross adjusted obligations (obligations plus or minus the differences) for each fund code. The amount of the OPTAR grant, a recap of OPTAR document transmissions are also reported, and space is provided for type commander specific information.

CONFIRMED CANCELLATION. - The official notification by the supply system that supply action will not be taken on a requisition and that the requisition is cancelled.

CORRECTION. - A corrected transaction processed by the fleet accounting office following challenge of an erroneous transaction by an OPTAR holder or other party.

COST CENTER. - A subdivision of a responsibility center for which identification of costs is desirable and feasible to control. A ship, aircraft squadron, or other operating unit having a unit identification code and incurring costs against an operating budget is classified as a cost center.

COST CODE. - A twelve-position code that, for operating forces, normally consists of two zeros, a four digit Julian Date, a four-character document serial number and a two-character fund code.

COST CATEGORY GROUP. - A two-position code for cost analysis purposes, used only by naval mobile construction battalions.

CREDIT TRANSACTION. - A transaction which increases the OPTAR balance. For example, a credit difference transaction, which increases the OPTAR balance, occurs when the extended dollar value of an unfilled order is greater (overstatement of an unfilled order) than that of the related (matching) expenditure forwarded by the issuing activity. The cancellation of an unfilled order also

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results in a credit transaction, which increases the OPTAR balance.

CREDIT UNFILLED ORDER. - The receipt of an unfilled order cancellation in STARS-FL for which no related unfilled order is on file or if the unfilled order cancellation received in STARS-FL is for an amount greater than the related unfilled order (excessive cancellation) on file. (Refer to Administrative Cancellation definition.)

CURRENT APPROPRIATION. - The appropriation currently available for incurring new obligations. An Operations and Maintenance appropriation is current from 1 October through 30 September of the year for which it was appropriated.

DEBIT TRANSACTION. - A transaction which results in the reduction of the OPTAR balance. For example, a "debit difference" transaction, which reduces the OPTAR, is required when the extended dollar value of an unfilled order is less (understatement of an unfilled order) than that of the related (matching) expenditure forwarded by the issuing activity.

DIFFERENCE. - The adjustment value required to cause the value of an unfilled order to agree with the value of the related expenditure as a result of the reconciliation process in STARS-FL. "Debit" differences indicate an underestimate (not enough money was obligated) and "credit" differences indicate an over-estimate (too much money was obligated) on the unfilled order (obligation).

DIRECT CHARGE. - The process whereby certain designated expenditure documents are charged in STARS-FL, regardless of the amount, to the accounting data cited therein without the requirement of matching with unfilled orders. Examples include civilian labor and aviation fuel. Differences are neither computed nor reported in STARS-FL since a one-to-one unfilled order and expenditure match process is never attempted.

EXPENDITURE. - A disbursement or payment of appropriated funds. An expenditure occurs when the supply system issues material or a disbursing officer makes payment, citing a line of accounting or fund code. Expenditure documents are processed in STARS-FL by the issuing or paying activity to match against unfilled orders previously obligated.

EXPENSES. - The costs of material, services, labor or other resources that have been consumed or applied to operating force programs.

EXPENSE ELEMENT. - A system of classification of expenses for cost accounting and reporting. The Navy-wide assigned

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fund codes used by the operating forces identify specific expense elements or subdivisions of expense elements.

EXPENSE LIMITATION. - The financial authority issued by a major claimant (e.g. fleet commander) to an intermediate level command (e.g. a Pacific Fleet type commander). Amounts on the expense limitation are available for further issuance of operating budgets.

EXPIRED APPROPRIATION. - An appropriation which is no longer current. It is available for expenditure, and in certain cases for adjustment of obligations, but no new obligations may be incurred against the expired appropriation.

FILLED ORDER. - An unfilled order document that has matched with a related expenditure document in STARS-FL. The financial process is considered complete.

FUTURE YEARS DEFENSE PROGRAM (FYDP). - The major financial performance plan of the Department of Defense for accomplishment within a six-year period. The FYDP structure provides a method of aggregating forces, money, and manpower within one of eleven major categories or building blocks classified as major defense programs.

FUND CODE. - A two-digit code identifying the chargeable operating budget and the appropriate expense element, or a management subdivision of an expense element. Fund codes are used to charge the appropriate type commander's funds and to identify the nature of the expense (expense element) (refer to Appendix II).

GROSS ADJUSTED OBLIGATIONS. - The total of column 22 (chargeable obligations) and 23 (differences) of the Budget OPTAR Report. Gross adjusted obligations are reported by the unit in column 24 of the Budget OPTAR Report and they should equal the corresponding value of gross adjusted obligations recorded in STARS-FL.

HOMEPORT TRAVEL ENTITLEMENT. - The round trip travel entitlement to the homeport at government expense accruing to designated crew members when a ship undergoes overhaul (or other authorized repairs) at a place other than the homeport.

INFOPAC. - A subsystem in STARS-FL, which generates reports used by fleet and type commander staffs. Several of these are discussed in Chapter 3.

INTEGRATED LOGISTICS OVERHAUL (ILO). - A process that runs concurrent with a ship depot maintenance period that improves the unit readiness and configuration accuracy by review and validation of installed equipment and all related

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logistics products, and by the inventory of all repair parts.

INTERMEDIATE LEVEL MAINTENANCE. - Maintenance performed which is beyond the capability of the organizational (unit) level, but is not at the level of a depot repair. Intermediate level maintenance is generally conducted in the geographic vicinity of the units being maintained. Applies to AIMD, tender or Shore Intermediate Maintenance Activity (SIMA) level repairs.

JOB ORDER NUMBER. - A STARS-FL data element for cost collection. For the operating forces, the job order number is comprised of unit identification code, one digit fiscal year, two-digit fund code and three-digit serial number (normally 000).

LAPSED APPROPRIATION. - A lapsed appropriation (also known as closed or canceled) is an appropriation in which the undisbursed balance is no longer available for disbursement because the five-year expenditure availability period is over.

MAJOR CLAIMANT. - Bureau, office, or command (e.g., CINCLANTFLT and CINCPACFLT) designated as administering offices under the operation and maintenance appropriations, which receive operating budgets directly from the Chief of Naval Operations.

MONTHLY FILLED ORDER/EXPENDITURE DIFFERENCE LISTING (MFOEDL). - A detailed transaction listing for naval construction forces. Lists all expenditure transactions processed in STARS-FL, including adjustments to the OPTAR holder official accounting records held in STARS-FL (e.g. "Credits and Debits").

OBJECT CLASS. - A system of classification of expenses for cost accounting and reporting. The object class is normally "000" in an operating forces line of accounting unless the transaction affects the international balance of payment.

OBLIGATIONAL AUTHORITY. - The approved, fixed amount within an operating budget for incurring obligations or unfilled orders.

OPERATING BUDGET. - The annual budget and financial authority of an activity or command containing the resources to perform its mission. OPTARS are issued out of operating budgets. The process for assigning operating budgets varies by fleet. Refer to paragraph 2003 for additional information.

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OPERATING FORCES. - Ship, aviation and other units assigned to fleet commanders. Their accounting data is differentiated by Service Designator Codes of "V" or "R", indicating the Atlantic and Pacific Fleets respectively.

OPERATING TARGET (OPTAR). - The annual funds issued to an operating forces unit by a type commander (or other operating budget holder) from an operating budget. The legal and administrative controls listed in par. 2002-2 do not apply to operating targets. However, the type commander may establish local controls over the use of the operating target funds.

OPERATIONAL FUNCTIONAL CATEGORY (OFC). - A system of categorization of funds used by aviation forces.

OPTAR STATUS REPORT. - A report similar to the Budget OPTAR Report, used by Naval Mobile Construction Forces to report TAD fund status. The OPTAR Status Report lists the OPTAR holder's grant, obligations, differences and gross adjusted obligations (obligations plus or minus the differences).

PARTIAL ORDER ESTABLISHED. - The unfilled order quantity and value remaining after partial matching in the reconciliation process in STARS-FL of an unfilled order and an expenditure when the expenditure quantity is less than the unfilled order quantity.

PLANNING, PROGRAMMING AND BUDGET SYSTEM (PPBS). - A integrated system for the establishment, maintenance and revision of the Future Years Defense Plan (FYDP) and the Department of Defense budget.

PROPERTY ACCOUNTING ACTIVITY. - An element of accounting classification data. For operating forces transactions other than TAD, the property accounting activity is the unit identification code of the OPTAR holder. For TAD, the property accounting activity is the last digit of the chargeable fiscal year followed by the 5-character serial number of the applicable standard document number.

PURCHASE CARD. - A commercial procurement card, issued by a bank and used by government activities (including the operating forces) to procure supplies and services under the provisions of NAVSUPINST 4200.94 (series).

RECONCILIATION. - The process of matching a requisition or other unfilled order with corresponding expenditure(s) in STARS-FL.

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REIMBURSABLE OPTAR. - A separate operating target (OPTAR) granted to a ship or command for the specific purpose of performing work or providing services chargeable to a reimbursable order accepted by the operating budget holder.

REIMBURSABLE ORDER. - An order for work or services issued by one operating budget holder to another operating budget holder. Acceptance of the order increases the obligational authority of the receiving activity.

RESOURCES. - Resources consist of military and civilian personnel, material on hand and on order, the entitlement to procure or use material, utilities, and services required for the performance of a basic mission, including work or services performed for others.

RESPONSIBILITY CENTER. - A command designated to receive and administer an operating budget.

STARS-FL. - The official accounting system for operating forces funds. Sponsored by Defense Finance and Accounting Service, Cleveland and maintained by Fleet Material Support Office. STARS-FL runs on mainframe computers at Defense Enterprise Computing Center, Mechanicsburg, PA. Individual units generally do not have access to STARS-FL.

SUMMARY FILLED ORDER/EXPENDITURE DIFFERENCE LISTING. - A monthly STARS-FL report to each OPTAR holder listing, among other things, the itemized differences between unfilled orders submitted by OPTAR holder and expenditures submitted by issuing activities. These differences require action by the OPTAR holder.

SUPPLIES AND EQUIPAGE (S&E) MATERIAL OR SERVICES. - A traditional phrase used to describe the purpose of OPTARs established for the operating, organizational maintenance, and administrative requirements of a ship, staff, or other unit of the operating forces. Also referred to as "mission support costs" or "Repair Parts" and "Other OPTAR" costs.

TANGO NUMBER. - A five-digit number identifying travel orders, consisting of a two-digit control code and a three-digit serial number.

TEMPORARY ADDITIONAL DUTY. - Duty, including associated travel, performed on a temporary basis away from the regular duty station while still attached to the regular duty station. The cost of temporary additional duty (TAD) is generally funded by and accounted for in an OPTAR granted to the ISIC or unit level.

THRESHOLD. - An established level of funding, below which extensive research has been determined to be uneconomical or

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inefficient. Applies to Summary Filled Order/Expenditure Difference Listing processing, where expenditure differences below a \$250.00 threshold are generally not permitted to be challenged.

TRANSMITTAL LETTER (TL). - A periodic submission from the OPTAR holder to STARS-FL of unfilled orders, cancellations, and obligation adjustments that affect the status of the OPTAR. This submission is normally performed electronically by transmitting a data file using WINSALTS.

UNITED STATES STANDARD GENERAL LEDGER. The United States Standard General Ledger (USSGL) is a system of financial accounts established by the Treasury Department in which the government's funds are recorded for official accounting and reporting purposes.

UNFILLED ORDER. - For accounting purposes, a general term used to describe a request for material or services which has been entered in the OPTAR holder's records. Unfilled order documents (chargeable) are assembled and forwarded to STARS-FL by the OPTAR holder, then the chargeable unfilled orders are matched against expenditures submitted by issuing and paying activities. Unfilled orders are also referred to as obligations. The term unfilled order is also used as a supply or logistics term to describe a requisition or order for which the material or service has not yet been received.

UNFILLED ORDER LISTING. - The Unfilled Order Listing (UOL) is produced monthly by STARS-FL and is forwarded to all OPTAR holders. It lists all unfilled orders (obligations) held in the STARS-FL accounting system files that have not matched with related expenditure documents and have not been cancelled.

UNMATCHED EXPENDITURE. - An expenditure document that has not matched with an unfilled order and has not been charged in the reconciliation process performed in STARS-FL. Also referred to as an unmatched disbursement or a problem disbursement or a "1960" item (1960 refers to the number of the Uniform General Ledger Account where unmatched expenditures are recorded).

WINSALTS. - Windows Standard Automated Logistics Toolset. An electronic bulletin board service used by operating forces units. WINSALTS is used in operating forces accounting to transmit electronic images of chargeable unfilled orders electronically to the STARS-FL accounting system. WINSALTS also delivers SFOEDL, UOL and Travel Advance Listings to units. SALTS Central maintains a

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website where listings are posted and information about the WINSALTS system is promulgated. The address is:

www.salts.navy.mil.

WORK UNIT. - A unit of measurement, such as flight hours, to provide a quantitative measure of performance.